



United States Environmental Protection Agency October, 1998
Office of Enforcement and Compliance Assurance

EPA's Section 309 Review: The Clean Air Act and NEPA

Office of Federal Activities (2251A) Quick Reference Brochure

ENVIRONMENTAL REVIEW AND THE CLEAN AIR ACT

The Clean Air Act, a law to prevent pollution of a single environmental medium, contains an unusual provision. That provision is Section 309, which directs the Environmental Protection Agency (EPA) to review certain proposed actions of other federal agencies in accordance with the National Environmental Policy Act (NEPA) and to make those reviews public. If the proposing agency (the "lead" agency) does not make sufficient revisions and the project remains environmentally unsatisfactory, EPA may refer the matter to the President's Council on Environmental Quality for mediation. (See **Highlight A**.)

HIGHLIGHT A: Section 309 of the Clean Air Act

(a) The Administrator shall review and comment in writing on the environmental impact of any matter relating to duties and responsibilities granted pursuant to this Act or other provisions of the authority of the Administrator, contained in any (1) legislation proposed by any Federal department or agency, (2) newly authorized Federal projects for construction and any major Federal agency action (other than a project for construction) to which Section 102(2)(C) of Public Law 91-190 [*] applies, and (3) proposed regulations published by any department or agency of the Federal government. Such written comment shall be made public at the conclusion of any such review.

(b) In the event the Administrator determines that any such legislation, action, or regulation is unsatisfactory from the standpoint of public health or welfare or environmental quality, he shall publish his determination and the matter shall be referred to the Council on Environmental Quality.

[*] NEPA (42 USC 4332(2)(C) et seq.)

Section 309 originated in 1970, the year in which landmark national legislation created new agencies and new requirements for restoring and protecting the environment. Besides NEPA and its creation of CEQ, the National Oceanic and Atmospheric Administration (NOAA) and EPA were established, and, at the end of 1970, the Clean Air Act was passed. At that time, many issues of environmental consequence were brewing (see **Highlight B**), one of which – the proposed supersonic transport aircraft (SST) – became a crucial test of NEPA. (See **The National Environmental Policy Act** section, below.)

The lead agency for the SST project, the Department of Transportation (DOT), chose not to disclose EPA's comments on the NEPA-required environmental impact statement (EIS) before having issued its final decision, construing NEPA to contain no explicit public disclosure requirements. Although later CEQ regulations under the Act would clarify this ambiguity, the Congress had a vehicle at hand in which to make its point: the draft Clean Air Act. Senator Edmund Muskie, sponsor of Section 309, said to the Senate when submitting the conference report, that as soon as EPA has completed its review of a proposed action, it must make its written comments public, and "not when the environmental impact agency decides the public should be informed." (116 Cong. Rec. S-20602, Dec. 18, 1970)

To correct another ambiguity of NEPA, Section 309 places the requirement to review EISs upon EPA because NEPA "does not assure that Federal environmental agencies will effectively participate in the decision-making process. It is essential that mission-oriented Federal agencies have access to environmental expertise in order to give adequate consideration to environmental factors." (Sen. Rept. No. 91-1196, 91st Cong., 2d Sess. 43, 1970) Consequently, EPA has reviewed most of the approximately 20,000 draft and final EISs produced since the passage of NEPA.

Section 309 confers upon EPA broad review responsibilities for proposed federal actions. (See **Highlight C**.) The EPA Administrator has delegated responsibility of national program manager to the Office of Federal Activities (OFA), and to the ten EPA Regional Administrators for review of regional specific actions. OFA has developed a set of criteria for rating draft EISs. The rating system provides a basis upon which EPA makes recommendations to the lead agency for improving the draft. If improvements are not made in the final EIS, EPA may refer the final EIS to CEQ. (See sections on **The National Environmental Policy Act** and **Referrals**, below.)

HIGHLIGHT B: When NEPA Was New: 1970-1971 Issues

- Trans-Alaska oil pipeline and the North Slope-Valdez route
- Supersonic transport aircraft
- Cross-Florida Barge Canal
- Clearcutting "areas of scenic beauty" in national forests
- Tennessee-Tombigbee Waterway
- Dredging and filling in wetlands
- Calvert Cliffs (MD) nuclear power plant

HIGHLIGHT C: Materials Which EPA Reviews Under Section 309 Authority

- Proposed legislation
- Proposed regulation
- Environmental assessment (EA)
- Environmental impact statement (EIS), draft and final
- Any proposal that the lead agency maintains does not require an EIS but that EPA believes constitutes a major federal action significantly affecting the environment so as to require an EIS.

Figure 1: EPA's Criteria for Sec. 309 Review of Impact Statements

Rating Environmental Impacts:

- LO** Lack of Objections
- EC** Environmental Concerns – Impacts identified that should be avoided. Mitigation measures may be required.
- EO** Environmental Objections – Significant impacts identified. Corrective measures may require substantial changes to the proposed action or consideration of another alternative, including any that was either previously unaddressed or eliminated from the study, or the no-action alternative).
Reasons can include:
- violation of a federal environmental standard;
 - violation of the federal agency's own environmental standard;
 - violation of an EPA policy declaration;
 - potential for significant environmental degradation; or,
 - precedent-setting for future actions that collectively could result in significant environmental impacts.
- EU** Environmentally Unsatisfactory – Impacts identified are so severe that the action must not proceed as proposed. If these deficiencies are not corrected in the final EIS, EPA may refer the EIS to CEQ
Reasons, in addition to impacts identified, can include:
- substantial violation of a federal environmental standard;
 - severity, duration, or geographical extent of impacts that warrants special attention; or,
 - national importance, due to threat to national environmental resources or policies.

Rating Adequacy of the Impact Statement:

- 1** (Adequate) – No further information is required for review.
- 2** (Insufficient Information) – Either more information is needed for review, or other alternatives should be evaluated. The identified additional information or analysis should be included in the final EIS.
- 3** (Inadequate) – Seriously lacking in information or analysis to address potentially significant environmental impacts. The draft EIS does not meet NEPA and/or Section 309 requirements. If not revised or supplemented and provided again as a draft EIS for public comment, EPA may refer the EIS to CEQ.

(See **Selected Publications**, below: EPA's Policy and Procedures for the Review of Federal Actions Impacting the Environment.)

Annually, OFA and its regional counterparts review about 450 EISs and some 2000 other actions (see **Figures 1 and 2**). Among the variety of proposed actions that may be reviewed, besides that for which an agency provides an impact statement, are: legislation proposed by a federal agency; a proposed agency regulation; the renewal of an action originally approved before the enactment of NEPA; a proposal for which an agency has determined that no impact statement is needed, whether or not the agency has published a Finding of No Significant Impact (FONSI); and, an action that is actually a segment of either a program or a reasonably expected succession of actions that could result in a cumulative negative impact on human health or welfare or the environment.

In addition to conducting environmental reviews, OFA develops guidance materials and provides training courses on NEPA and Section 309 requirements for EPA regional staff, and promotes coordination between EPA offices and other federal agencies.

THE NATIONAL ENVIRONMENTAL POLICY ACT AND CEQ

The National Environmental Policy Act (NEPA, 42 U.S.C. 4321 et seq.) was enacted on January 1, 1970 in recognition of the widening influence on the human and natural environment that individual federal agency actions can exert. With its stated purpose (see **Highlight D**) and with heightened public awareness of environmental quality questions, NEPA makes its goals and policies "supplemental to those set forth in existing authorities of Federal agencies" (NEPA, Section 105). In this way, the agencies' authorizing statutes were amended to include NEPA requirements.

Title I of NEPA requires the federal government to use all practicable means to preserve and maintain conditions under which human beings can coexist with the natural world in productive harmony. Section 102 directs federal agencies to lend appropriate support to initiatives and programs meant to anticipate and prevent degradation of world environmental quality. Further, this section requires federal agencies to incorporate environmental considerations in their decision-making, using a systematic, interdisciplinary approach.

Title II of NEPA establishes the Council on Environmental Quality (CEQ, or the Council).

Two months after enactment of NEPA, the President issued Executive Order 11514 authorizing CEQ to guide the Sec. 102 process.

Under this order, the Council immediately published guidelines, followed in 1978 by regulations (40 C.F.R. Parts 1500-1508) requiring all Federal agencies to issue NEPA regulations consistent with CEQ's. Advisory to the President, CEQ conducts studies, prepares the annual Environmental Quality Report to Congress, and reviews EISs. Moreover, CEQ mediates interagency disputes concerning environmental analyses of matters of national importance. (See **Referrals** section, below.)

As evidence of compliance with the NEPA Section 102 provisions for a proposed major action that could significantly affect the environment, CEQ requires the lead agency to prepare a detailed written statement addressing NEPA concerns, i.e., an EIS (40 C.F.R. Part 1501). The lead agency may first prepare an environmental assessment (EA), which is a concise public document (40 C.F.R. Part 1501.3) that determines whether an EIS or a FONSI (40 C.F.R. Part 1501.4(e)) should be prepared. An EA is not necessary, however, if the agency has decided at the outset to prepare an EIS.

For review, the lead agency provides the EIS to those federal agencies having statutory jurisdiction or special expertise, as well as to appropriate other federal, state, and local agencies; Indian tribes, when the proposed action might impact tribal lands; and, the interested or affected public (40 C.F.R. Part 1503.1). Once the EIS is final, the lead agency must file it formally, simultaneously making it available to the public, together with the reviewers' comments and the lead agency's responses to those comments (40 C.F.R. Part 1506.9). The CEQ regulations designate EPA the official recipient of all final EISs, which responsibility the EPA Administrator delegates to OFA.

HIGHLIGHT D: The Purposes of NEPA

The purposes of this Act are: To declare a national policy which will encourage productive and enjoyable harmony between man and his environment; to promote efforts which will prevent or eliminate damage to the environment and biosphere and stimulate the health and welfare of man; to enrich the understanding of the ecological systems and natural resources important to the Nation; and to establish a Council on Environmental Quality.

(PL 91-190, 42 USC 4321 et seq.)

REFERRALS TO THE COUNCIL ON ENVIRONMENTAL QUALITY

The "predecision referrals" provision (40 C.F.R. Part 1504) enables any federal agency under NEPA to refer another agency's final EIS to CEQ during the 30-day waiting period before a lead agency can proceed with the action. On the other hand, Section 309 authorizes EPA to refer to CEQ a broader range of federal activities, not only actions for which EISs are prepared. The CEQ regulations (40 C.F.R. 1504.1(b)) implement Section 309 of the Clean Air Act, acknowledging that EPA has been assigned more extensive review and referral authority than the other agencies (see **Highlight C**).

Within 25 days after the lead agency has made the final EIS available to the public, the referring agency must provide early notification to that agency about its intention, and make its referral in writing to CEQ. The lead agency, once it has received written notification from CEQ, is to respond in writing within 25 days. During that same period, other agencies and the public may submit written comments to CEQ. Then CEQ may publish Findings and Recommendations; mediate between the disputing agencies; hold public meetings or hearings; refer irreconcilable disputes to the Executive Office of the President for action; or, conclude either that the issue is not of national importance or that insufficient information has been submitted upon which to base a decision.

In the time since the referral process was formally established in 1973, agencies have referred a total of 24 proposed federal actions to CEQ. Of these, EPA was responsible for 15, of which one was referred jointly with the Department of the Interior (DOI). (See **Figure 2** for EPA regional environmental review offices.) So far, in no case has CEQ made a formal referral to the Office of the President. Most often, CEQ has issued Findings and Recommendations. In a few cases the lead agency has withdrawn the proposal, and in three cases CEQ determined that the issue was not a matter of national importance.

In 1989, CEQ upheld EPA's Section 309 referral authority. At issue was a DOI Bureau of Reclamation proposal to renew long-term water contracts for irrigation operations of the Friant Unit in the Central Valley Project of California. The reason for referral was that no EIS had been prepared on the contract renewals, which individually and in the aggregate were likely to result in unsatisfactory environmental effects. In response, DOI questioned EPA's right to challenge the agency's decision that no EIS was needed. In rejecting that argument, CEQ established a precedent, that is, affirmed that EPA may identify a major federal action significantly affecting the environment, even though the lead agency disagrees.

Figure 2: EPA'S REGIONAL SECTION 309 REVIEWERS

REGION 1: (617) 918-1051
Office of Environmental
Review
One Congress Street
Boston, MA 02114

REGION 2: (212) 637-3504
Envir. Planning & Protection
290 Broadway, Floor 25
New York, NY 10007

REGION 3: (215) 814-3367
Envir. Programs Branch
1650 Arch Street
Philadelphia, PA 19106

REGION 4: (404) 562-9611
Office of Envir. Assessment
61 Forsyth Street SW
Atlanta, GA 30303

REGION 5: (312) 353-1327
Federal Activities program
77 West Jackson Blvd.
Chicago, IL 60604

REGION 6: (214) 665-7451
Planning & Coordination Office
1445 Ross Avenue, Suite 1200
Dallas, TX 75202

REGION 7: (913) 551-7148
Environmental Review
901 North 5th Street
Kansas City, KS 66101

REGION 8: (303) 312-6228
Ecosystem Protection Program
999 18th Street, Suite 500
Denver, CO 80202

REGION 9: (415) 972-3854
Office of Federal Activities
75 Hawthorne Street
San Francisco, CA 94105

REGION 10: (206) 553-6911
1200 Sixth Avenue, ECO-088
Seattle, WA 98101

SELECTED PUBLICATIONS

Caldwell, Lynton K., Science and the National Environmental Policy Act; Redirecting Policy Through Procedural Reform. University of Alabama Press, c1982.

Congressional Record, vol. 166, p. S-20602 (Dec. 18, 1970).

Healy, Martin, "The Environmental Protection Agency's Duty to Oversee NEPA's Implementation: Section 309 of the Clean Air Act," Environmental Law Reporter, 3 ELR 50071 (1973).

Liroff, Richard, "The Council on Environmental Quality," Environmental Law Reporter, 3 ELR 50051 (1973).

Policies and Procedures for the Review of Federal Actions Impacting the Environment. U. S. Environmental Protection Agency, Office of Enforcement, Office of Federal Activities, Pub. No. 1640 (rev. 1984).

Procedures for Implementing the Requirements of the Council on Environmental Quality on the National Environmental Policy Act. U. S. Environmental Protection Agency, 40 C.F.R. Part 6.

Rand, Sally and Tawater, Mark Steven, Environmental Referrals and the Council on Environmental Quality. Washington, D. C., Environmental Law Institute, 1986.

Regulations For Implementing the Procedural Provisions of the National Environmental Policy Act. U. S. Executive Office of the President, Council on Environmental Quality, 40 C.F.R. Parts 1500-1508 (reprint, as of July 1, 1986). Contents include: the National Environmental Policy Act of 1969, as amended in 1975; the Clean Air Act, Section 309; and, Executive Order 11514, as amended by Executive Order 11991.

Senate Report No. 91-1196, 91st Congress, 2nd Session, p. 43 (1970).